ORDER TO DISBURSE FUNDS TO PAY TAX OBLIGATIONS

Defendants.

The Court, having reviewed the Securities and Exchange Commission's Motion to Disburse Funds to Pay Tax Obligations, and the supporting Declaration of Jude P. Damasco in Support of Request to Make Tax Payment, dated August 7, 2008 (the "Declaration"), and for good cause shown,

IT IS HEREBY ORDERED:

NORTEL NETWORKS CORPORATION and

NORTEL NETWORKS LIMITED,

1. The Clerk of the Court shall issue a check on the Court Registry Investment System, receipt number 631570, under the case name designation "United State[s] Securities and Exchange Commission v. Nortel Networks Corporation et al.," for the amount of \$28,000 payable to "Damasco & Associates, Trust Account," for the payment of tax obligations as provided in the Declaration. The check shall contain the notation "United States Securities and Exchange Commission v. Nortel Networks Corporation et al., Civil Action No. 07-CV-8851, Employer Identification Number 26-1481410, quarterly tax estimate, third quarter 2008."

2. The Clerk shall send the check by overnight mail to:

Damasco & Associates LLP 700 Monte Vista Lane Half Moon Bay, CA 94019 Phone: 415-217-4900

The Commission's counsel shall provide the Court Registry with the necessary overnight shipping information and the Commission's billing number.

Dated: <u>August</u> 25. 2008

UNITED STATES DISTRICT JUDGE